

HENEY AND ARMOUR COUNSEL HAVE TILT

Levy Mayer Tells Committee Opponent's Bribe Charges Are False.

"OFFERED NO BUSINESS"

Trade Commission's Examiner Replies by Citing Alleged Details.

WASHINGTON, Feb. 10.—Francis J. Heney, who conducted the Federal Trade Commission's meat packing investigation, today gave the Senate Agriculture Committee details of offers of employment which he said were made to him by Levy Mayer, counsel for Armour & Co. before and during the present hearing.

Mr. Mayer, who passed the day on the witness stand, emphatically denied he had made the offers or any of the statements attributed to him by Mr. Heney. At the close of the day Mr. Mayer stood up with a book in one hand, and he said, for the purpose of assisting the committee to determine to whom it should give credence, started to make a statement which he said dealt "with Mr. Heney and the 'fixing of a jury'."

Heney Ready With Disproof.

Mr. Heney immediately was on his feet and announced that if any such statement were introduced he would bring in the Attorney-General to prove that any such charge against him was false. At this point members of the committee interrupted.

Early in the day Mr. Mayer entered his first denial that he had offered business to Mr. Heney. He also read a telegram from Frank P. Walsh, who Mr. Heney said, Mr. Mayer told him had been made a similar offer, stating he had heard nothing of it.

After Mr. Mayer had been giving the committee his views regarding proposed legislation regulating the meat industry, Mr. Heney began questioning him about their first meeting in Chicago last year and about a meeting between Mr. Mayer, W. W. Chapin of the Oakland, Cal., Englewood, and a Mr. Slesinger of San Francisco.

"I tell you what I said to them," said Mr. Mayer. "Chapin and Slesinger came to my office and the latter asked if I knew any San Francisco lawyers. I said I knew of you, Mr. Heney, and Mr. Slesinger replied that he was a good friend of yours. I replied that being the case I could speak freely with him, and I told him my methods were unprofessional and dishonest."

New York Lawyers Scored.

This statement resulted in a heated exchange between the two attorneys, but finally Mr. Mayer, in response to Mr. Heney's questioning, told of discussing with Mr. Heney a visit the latter made to New York.

"You discussed New York lawyers," said Mr. Mayer. "and said that they knew how to try cases and that you thought you would go to New York and open an office."

"Did you then offer to send me business?" asked Mr. Heney.

"After then nor any other time," replied Mr. Mayer.

Mr. Mayer said he remembered meeting Mr. Heney in a Washington hotel last year. Mr. Heney asked him to go to the office of Carl Mayer in Chicago last year for a conference and after he had been there some time Mr. Mayer entered the room, grabbed him by the coat lapel and said he was "glad" to meet him. Mr. Heney then quoted Mr. Mayer as saying:

"Heney, you ought to go to New York and open an office. I told Mr. Heney that if he would go to New York people would give him plenty of business. You ought to do that too. You ought to work for the kind of people I work for."

Paid Little Attention to Him.

"I didn't pay much attention to him," Mr. Heney went on. "Because I thought he was a glad hander and that he wanted to make me feel friendly to the packing interests. Then, when I came to this room the other day he rushed up to me and shook my hand, asking if I was going to examine witnesses here. I told him I did not know. Then he turned the subject and later he turned over to me at the table and recalled the conversation in Chicago."

Mr. Heney said that then Mr. Mayer again mentioned that if he would open an office in New York "plenty of business" would be forthcoming.

In opposing the legislation before the committee for control of the meat industry, Mr. Mayer said the big packing companies would not oppose regulation and a suggestion to be appointed by the President and to be composed of representatives of the producers, packers and consumers.

BROOKLYN VICTORY PAY CUT.

Delaney Will Use Only Volunteer Workers Now.

Representative John J. Delaney, who is called Nathan R. Jones as chairman of the Brooklyn Victory Celebration Committee, has found that the committee's administrative salaries aggregating \$10,000 a year, was spending too much money. He therefore decided to eliminate volunteer workers for all except an assistant secretary, a bookkeeper, stenographer and one returned soldier. He also said that he was filling the places of committee members who resigned in sympathy with Mr. Jones and would call a meeting in a few days.

Being asked if the new committee would take orders from Mr. Hearst, Mr. Delaney answered: "I'm going to do this celebration without taking orders from anybody."

Among those whose resignations were announced by requests for the return of contributions they made are Mrs. William A. Prendergast, Abram Sternbach and Mrs. Helen G. Daley. It is believed that in all such cases Mr. Delaney will reply that as the returned committee will carry out the original purpose of the undertaking no money will be returned.

Before he gets soft have it done in uniform.

PIRIE MACDONALD

Photographer of Men.

576 FIFTH AV. COR. 47TH ST.

U. S. ENGINE EXPORTS CAUSE BRITISH FEAR

Embargo on American Shoes to Be Lifted, However

Special Cable Dispatch to The Sun.

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LONDON, Feb. 10.—Another instance of British nervousness over American competition in world trade has been uncovered in the publicity given to certain contracts to American firms for locomotives by the colonies.

The mere suggestion that the colonies intend to place contracts for locomotives in America has brought out a vigorous protest. The American firms apparently have offered to supply the colonies with locomotives for March delivery and at about two-thirds of the British price. The British firms cannot promise delivery before December.

The Evening Globe declares this constitutes a challenge to the empire's capital and labor and urges all who have the interest of the empire at heart to get together to standardize output and pool resources to meet American competition. "If it is true that America is producing cheaper while paying higher wages," says the paper, "it is proof of better organization among employers."

LONDON, Feb. 10.—The British Import Restriction Control Board has modified the proposed embargo on American products, which will be reimposed on March 1, to allow the importation of American boots and shoes to the extent of 25 per cent of the number imported in 1918.

This announcement virtually nullifies the efforts of the joint conference of importers and British manufacturers which is attempting to agree upon some modified plan of the import restrictions which would prove agreeable to both sides and which the British Government would accept.

CREEL CAMOUFLAGE AN AID TO U. S. NAVY

Secret of War Told at Dinner of Officers of the Third District.

Lieut. Henry Reuterdahl took 500 officers of the Third Naval district and their friends into his confidence at a dinner in the Astor Hotel last night and told them the big secret of how George Creel, chairman of the Committee on Public Information, answered the war time demands of the New York public for pictures showing what the navy was doing.

For months and months Lieut. Reuterdahl, who is an officer of the Naval Reserve, and other navy officers, he said, had been endeavoring to persuade the powers in Washington to organize a photographic division for the navy, just like the one that was picturing the army's exploits in the battles of France. It was no use, however, for the division wasn't formed.

Nevertheless Mr. Creel got the pictures, and navy officers who had been behind the scheme for the photographic division gasped at his enterprise when the ships with their big guns very plain were shown here in all kinds of maneuvers. But it developed afterward, Lieut. Reuterdahl said, they were Japanese and Italian warships cleverly camouflaged by the judicious placing here and there of an American flag and the removal of all Italian and Japanese insignia.

Eventually the navy's photographic division was formed and those at the dinner witnessed the first showing of the official film recording how the navy conducted American troops to France. The film played the soldiers on their arrival at the port of debarkation in Hoboken and then showed navy officers going over charts showing the exact routes to be followed by the troop convoys. Down the bay the soldiers are seen starting for France at night, and then picking up the convoy of battle ships a little distance beyond Sandy Hook.

Smoke screens, submarine alarms aboard the ships, the dropping of test depth bombs and other incidents of the transports' passage are recorded. But the film did not happen to catch an actual submarine attack. The film was taken from the unfortunate transport President Lincoln, which was sunk on a later trip.

The dinner was the first social gathering of the officers of the Third Naval district since the war began. The other speakers were Ensign R. C. McCulloch and Lieut. Joseph F. Wright.

GLASS ASKS POWER TO GET 10 BILLION

Continued from First Page.

been incurred and will be incurred up to that time. The Victory Liberty Loan could not be issued successfully now that hostilities have ceased within the limitations imposed by existing laws.

Unable to Fix Terms Now.

"After most careful consideration of the matter and after receiving and considering the views of bankers, Liberty Loan workers and others whose views are most entitled to consideration, very definitely I am constrained to say that I cannot wisely determine now in February the terms of the bonds or other obligations which it would be wise to offer for subscription in April when the Liberty loan campaign should probably begin. At the moment we are in a period of readjustment. To the slackening of industrial and commercial activity incident to the termination of active warfare has been added the usual dullness of the winter season.

"The necessary and desirable contraction of our credit structure has begun and will be greatly facilitated by the enactment of appropriate legislation to permit the liquidation of claims arising under informal army contracts. Steps have been taken to break the deadlock which had arisen growing out of the maintenance, nominally at least, of war prices in certain basic industries. Upon the enactment of appropriate legislation to enable the Food Administration to protect the guarantees given by the United States in April when the war will prove possible to restore the operation of the law of supply and demand with respect to foodstuffs, with, as I believe, a consequent reduction in the cost of living.

"A period of rising prices and of intense industrial activity such as we have experienced during the past four years is always a period of great apparent prosperity, and a period of falling prices and of the contraction of credits is always a period of depression.

Will Hasten Price Adjustment.

"The retardation of the process of readjustment by artificial means can only increase the evils inherent in the situation. Buying will not begin and activity will not set in until the community at large is satisfied that prices have reached bedrock.

"I am very hopeful that measures now under discussion may result in the rapid acceleration of the readjustment, and I am firmly convinced that if that be done America has before her a new period of great and growing prosperity. I am even sanguine enough to believe that it is within the range of the possible that so much may have been accomplished on the lines above indicated before the expiration of two months from now that the whole situation will have been changed, and that we may look forward to the successful issue of the Victory Liberty Loan on terms which to-day would seem quite impossible.

Furthermore, merely as a matter of technique of bond selling it would be a fatal mistake to fix the terms of the loan so long in advance of the offering. The issue would become stale and its attractions would have been discounted long before the loan campaign begins. It will be remembered that the Second Liberty bond act was approved as late as September 24, and the bonds were offered on October 1, 1917; that the Third Liberty bond act was approved April 4, and the bonds offered on April 6, 1918; and that the supplement to the Fourth Liberty bond act was approved September 24, and the bonds offered on September 28, 1918.

Higher Interest Rate Likely.

"Therefore, and in view of the early expiration of the life of the present Congress and the apparent impossibility of convening and organizing the new Congress in time to enact further bond legislation before the Victory Liberty Loan campaign begins, I reluctantly ask greater latitude in the exercise of a sound discretion as to the terms of the Victory Liberty Loan than has been conferred by the Congress in respect to previous loans.

"I should be only too glad to have the Congress share with me the responsibility of this extraordinarily difficult decision, but believing that it would be a grave mistake to reach a final determination at this time I must ask authority to deal with this matter as the situation may develop."

Though Secretary Glass frankly states it is impossible to determine interest rates, tax exemptions and other features of the next loan at this time, it is known his advisers have seriously

urged the issuance of "rich man's" and "poor man's" bonds.

This could be accomplished, they say, by making all bonds tax free up to a certain holding, making them all pay as much perhaps as 5 per cent, and taxing all holdings above the exemption, or by issuing a taxable bond at 4½ or 6 per cent and a tax free bond at 3½ per cent. The poor man could get a good investment, not having heavy taxes to pay, and the wealthy would welcome the tax free bonds.

There is little doubt that unless there is much change in the general business and financial situation the interest rate will be in effect increased.

BOMBARD PORTUGUESE TOWNS.

Republican Warships Active in Coast Attack.

VIGO, Spain, Feb. 10.—Two Portuguese Republican warships bombarded the town of Vianna de Castelo, north of Oporto, early Saturday, according to travelers who have arrived here.

A Republican tugboat bombarded a passenger train on the railroad between Ancoara and Affre, north of Vianna de Castelo. The locomotive of the train was destroyed. The passengers fled across the fields. There were no casualties.

LISBON, Feb. 10.—It is announced in reports from Aveiro that Capt. Henrique de Palma Concelos, the Royalist leader, has been wounded, probably in fighting at Lamego or Viseu, which have been taken by Republican forces.

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PRaises "TIGER'S" WARNING.

Alfred Capus Says It Was Needed at This Time.

PARIS, Feb. 10.—Commenting upon the interview given by Premier Clemenceau to the Associated Press, which occupies the place of honor in all the Paris newspapers today, Alfred Capus in the Figaro says:

"With its vigorous and hardy pessimism, it is an act of ardent patriotism. It is just the plain language which it is fitting to talk to France and her allies at the present moment. France should be made to recall that her enemy wished for fifty years to cripple her and has not given up that design. The Allies must be told that the victory bought with so much blood and sacrifice will remain a precarious one if they do not know how to complete it. Finally Germany must be shown that she can no longer deceive us and that it is our firm intention to make peace, also, to the finish."

"Premier Clemenceau has never been more lucid or stronger than in these declarations which will have a considerable effect."

LABOR'S DEMANDS ARE DRAWN.

International Eight Hour Day and Insurance Included.

BERN, Feb. 10.—Demands for presentation to the Paris Peace Conference

were agreed upon yesterday by the International Labor Conference. The demands include the establishment of an eight hour day with an uninterrupted rest period of thirty-six hours weekly; insurance against accidents and unemployment; the forbidding of night work in all countries for women workers and

of the employment of children under fifteen years of age, and a six hour day for youths between fifteen and eighteen years.

The demands will be recommended for incorporation into an international agreement by the Peace Conference. There are special stipulations in the demands concerning seamen, and it is asked that these stipulations shall be made a part of international law, the carrying out of the provisions to be looked after by special commissions in which the trades unions of the nations shall have equal representation with the employing interests.

While waiting for the next business move

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Anthracite Available

For all communities—For all purposes—In any quantity

By an order effective February 1, 1919, the U. S. Fuel Administrator permits the resumption of shipments of anthracite in any quantity, to any community and to any consumer, and suspends all regulations and restrictions on the price of hard coal. Coincident with the issuance of the order the Fuel Administrator gave to the press the following statement relative to the prices of anthracite which during the period of the war had been fixed by the Administration:

"By his Executive Order of August 23, 1917, the President adopted as maximum prices for anthracite coal, the schedule of prices which had been acquiesced in by the industry while under investigation by the Federal Trade Commission under the so-called "Calder" resolution of the Senate. This involved one price for the railroad controlled coal companies, and a price 75c higher for the individuals. With the exception of a reduction of sixty cents a ton in the prices for pea coal made October 1, 1917, and two adjustments to cover increases in miners' wages, the Fuel Administration allowed the prices fixed by the President to stand pending examination of costs such as were made in the case of bituminous coal.

"For the purpose of arriving at a fair increase in price to cover the increase in wages recommended by the War Labor Board last October, an examination was made to determine the costs of the various anthracite producing companies. The result of this examination showed that the general increases in the price of materials and labor had raised the cost of mining anthracite to such an extent that many of the companies were not receiving a fair return and that some producers of necessary coal were actually sustaining a loss on the sale of coal at the Government prices, in spite of the two increases allowed on account of advances to labor.

"At the time this situation was discovered every indication pointed to an early peace and it was deemed unwise to increase the maximum prices so near the time when, on account of the end of the war, price restrictions would, in the natural course of events, be lifted entirely.

"The above statement is made at this time, when price restrictions are about to be lifted, out of fairness to those companies who have patriotically kept up their production to war needs, even at a cost which resulted in many instances in a loss, not only by the individuals, but also by some of the railroad companies, so that the impression shall not exist that the Government prices of anthracite coal in existence at the time of the lifting of restrictions were prices which the Fuel Administration had fixed on the basis of cost to the operators.

"Had the Fuel Administration's active control over maximum prices on anthracite coal been continued, the cost examination above referred to shows that it would have been necessary, on the basis of the present wage scale, to raise these maximum prices possibly as much as 50 cents a ton above those last fixed by the Government, in order to prevent financial embarrassment and perhaps the closing of companies producing a substantial per cent of the necessary anthracite output.

"Such a curtailment of production would eventually result in the demand exceeding the supply to such an extent as to increase the prices much higher than they would be if that supply were continued."

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